GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3581
ANSWERED ON:15.12.2006
INTEREST ON IT REFUND
Singh Shri Prabhunath

Will the Minister of FINANCE be pleased to state:

(a) whether the Income Tax Department has refunded huge sums of money together with interest thereon during the last three years;

(b) if so, the amount refunded and the interest paid thereon; and

(c) action taken against the authorities for delay?

Answer

MINISTER OF THE STATE IN THE MNISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Sir, Raising of demand or granting of refund to an assessee consequent to assessment in accordance with the statutory provisions of the Income Tax Act, 1961 is a continuous process of the Income Tax Department. Refund and Interest thereon is paid to the assessee in accordance with the provisions of Income Tax Act, 1961.

(b) The details of total amount of refund and interest paid thereon to the assessees for the last three years are as follows :-

Financial Year	Total amount of refund to the assessee (In Rupees crore)	Interest paid to the assessee (In Rupees crore)
2003-2004	25737	4701
2004-2005	28514	3865
2005-2006	29435	4553

(c) Does not arise in view of reply to (a) above.